



M/021/004

September 9, 2003

D. Wayne Hedburg  
Department of Natural Resources  
Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Salt Lake City, Utah 84114-5801

RE: Request for surety reduction; Escalante Silver Mine, UDOGM file no. M/021/004

Dear Mr. Hedburg:

Hecla Mining Company believes it has met the requirements of the approved reclamation plan for the tailings impoundment. All earthwork and re-seeding are complete and the vegetation has been self sustaining. Therefore we request full release of our obligation on the 65 acres covered by the impoundment (refer to attached diagram). Based on your last estimate of the reclamation costs, the remaining obligation associated with the impoundment was re-seeding. The estimated the value of this work as follows:

65 acres at 290 \$ per acre.....	\$ 18,850
10 percent contingency .....	1,885
Subtotal .....	\$ 20,735
Escalation, 5 years at 2.01 percent per year.....	2,169
Subtotal .....	\$ 22,904
<b>Rounded Total – 1999 dollars .....</b>	<b>\$ 22,900</b>

We request the existing surety bond be *reduced* from \$389,300 to \$366,400.

If you have any questions please contact me at (208) 769-4135 or e-mail: [cgypton@hecla-mining.com](mailto:cgypton@hecla-mining.com).

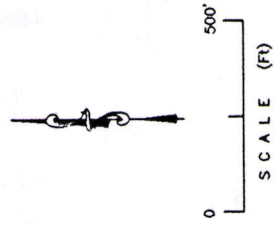
Sincerely,

Chris Gypton  
Project Manager

CC: A. Robison w/ attachment  
P. Glader w/ attachment

RECEIVED  
SEP 11 2003  
DIV. OF OIL, GAS & MINING





117

TMW 2

TMW 4

3 12  
10 11

TAILINGS DAM

TAILINGS  
IMPOUNDMENT  
(65 AC)

TMW 1

TMW 3

~2.5 AC  
WASTE  
ROCK  
PILE  
P-11  
PUMP

WASTE  
ROCK  
PILE

(1.6 AC)

MILL  
AREA

ROAD TO TAILINGS IMPOUNDMENT

DIXIE CABLE

HECLA MINING COMPANY  
RECLAMATION RESPONSIBILITY

ESCALANTE MINE  
IMPOUNDMENT  
AREA

REVISED 9/9/03 CCG/STON